



NCUA Advanced Notice of Proposed Rulemaking Corporate Credit Unions

Recap of Member Roundtable Discussions

3/31/2009

Background/Overview

On February 4, 2009, the National Credit Union Administration (NCUA) published its advanced notice of proposed rulemaking (ANPR) and request for comment in the Federal Register. The Register, published by the Office of Federal Register, National Archives and Records Administration, is the daily publication for rules, proposed rules, and notices of Federal agencies and organization. NCUA has requested feedback from interested parties regarding issues ranging from the changes in the role of corporate credit unions, structure of the corporate credit union system, and fields of membership, to issues surrounding risk management, capitalization, and governance.

The need to identify potential changes to corporate credit unions and the regulations governing these institutions comes at a time when several corporates have experienced significant reductions in the market value related to marketable security holdings. In many instances the reduction in market value has been widely attributed to the credit crisis that has virtually frozen the market for trading in many sectors of the market. However, the continued strains within the U.S. economy that started in the meltdown in the housing sector back in 2007, has eroded the collateral backing certain non-agency mortgage-related securities held by corporates.

To address the liquidity strains among the corporate credit unions NCUA has taken a number of actions to protect credit union deposits within the corporate system and to ensure liquidity continues to be available to corporates, as well as credit unions.

Prior to preparing its response to the ANPR Constitution Corporate Federal Credit Union (Constitution) representatives from the corporate met with approximately 63 credit union executives and management personnel from 50 member credit unions. The purpose was to guide a discussion through the ANPR and to gain the insight of how credit unions viewed the concepts and possible changes to regulations that governed corporate credit unions. As a member owned cooperative, Constitution has evolved to meet the needs of its members and believes that changes to the corporate's role, capitalization, product/service offerings, and governance is at the direction of the member owners.

The following recaps all sections of NCUA's ANPR regarding corporate credit unions, followed by feedback received during the roundtable discussions. **Comments, and in some cases key points, from the roundtable discussions, are provided in a "red" font to direct the attention directly to the feedback.**

Section I – Role of Corporate in the Credit Union System

ANPR Narrative Description

Recent events have highlighted structural vulnerabilities in the corporate credit union system. NCUA is considering whether comprehensive changes to the structure of the corporate system are warranted. Possible approaches the agency is considering include eliminating the second or wholesale tier from the corporate system, modifying the level of required capital, isolating payment services from the risks associated with other lines of business, determining which product and service offerings are appropriate for corporates, requiring a restructure of corporate boards, and tightening or eliminating the expanded investment authority that is currently available to corporates.

Payment system. Some of the questions and issues arising in this context, on which the NCUA Board (Board) is seeking comment, include matters such as whether payment system services should be isolated from other services to separate the risks. If so, what is the best structure for isolating these services from other business risks? Specific comment is solicited concerning whether, for example, it would be better to establish a charter for corporate credit unions whereby a corporate's authority is strictly limited to operating a payment system, with no authority to engage in other services, such as term or structured investments. Additionally, a separate charter may be available for corporate credit unions that want to engage in providing investment services. Another alternative would be for NCUA to establish distinct capital requirements for payment systems risk and the risks of other corporate services. NCUA could also require that a legal and operational firewall be established between payment system services and other services. In connection with this topic, comment is also sought on the question of whether there is sufficient earnings potential in offering payment systems to support a limited business model that is restricted to payment systems services only.

Liquidity and liquidity management. Historically, the primary role of corporate credit unions has been to provide and ensure liquidity. Corporate investments were made with an eye towards ensuring funds would be available to meet members' short-term liquidity needs. Recent events underscore the need to assure a corporate properly considers its investment position relative to its cash flow needs. The Board recognizes and understands that providing liquidity for the credit union system is one of the principal purposes of the corporate credit union network. One question for consideration and comment is whether liquidity ought to be considered a core service of the corporate system, and if so, what steps should be taken, and by whom, to preserve and strengthen corporates' ability to offer that service? For example, should NCUA consider limiting a corporate's ability to offer other specific types of products and services in order to preserve and defend the liquidity function? What specific types of products and services should corporates be authorized to provide? NCUA is considering additional cash flow measuring requirements to assist corporates in achieving and maintaining proper liquidity management. In this respect, comment is specifically solicited on the question of whether NCUA should add aggregate cash flow duration limitations to Part 704. If so, commenters are invited to describe how this requirement should be structured, and also to identify how such limitations would benefit liquidity management. Finally, comment is solicited on the question of what cash flow duration limits would be appropriate for corporate credit unions, particularly in an evolving interest rate market with previously unseen credit risk spreads.

Field of Membership Issues. NCUA also seeks comment on whether and how to restructure the corporate credit union system. For example, despite its intention of fostering competition, NCUA's decision to allow corporates to have national fields of membership (FOMs) may have resulted in significant, and unforeseen, risk taking. For example, corporates have competed with each other to offer higher rates, and have done so through the accretion of credit and marketability risks. To address this development, should the agency return to defined FOMs, for example, state or regional FOMs?

Expanded Investment Authority. At present, Part 704 provides for an option by which corporates meeting certain criteria can qualify for expanded investment authority. For example, a corporate meeting the criteria set out under Part One of the expanded authority is allowed to purchase investments with relatively lower credit ratings than otherwise permissible under the rule. NCUA seeks comment, first, as to whether the need for expanded authorities continues to exist. If so, should NCUA modify the procedures and qualifications, such as higher capital standards, by which corporates currently qualify for expanded authorities? If so, what should the new standards be? Should NCUA reduce the expanded authorities available? If so, which ones? Alternatively, should any of the limits in existing expanded authorities be reduced or increased? If so, which ones? Once granted, should NCUA require periodic requalification for expanded authorities? If so, what should be the timeframe?

Structure; two-tiered system. Over time, the corporate system has evolved into two tiers: a retail network of corporates that provide products and services to natural person credit unions, and a single, wholesale corporate that exclusively services the retail corporates. NCUA solicits comment about whether the two-tier corporate system in its current form meets the needs of credit unions. Specifically, NCUA seeks input from commenters about whether there is a continuing need for a wholesale corporate credit union. If so, what should be its primary role? Should there be a differentiation in powers and authorities between retail and wholesale corporates? In considering these issues, commenters are specifically asked to consider whether the current configuration results in the inappropriate transfer of risk from the retail corporates to the wholesale corporate. Commenters should also address whether, assuming the two-tiered system is retained, capital requirements and risk measurement criteria (e.g., NEV volatility), as well as the range of permissible investments, for the wholesale corporate credit union should be different from those requirements that apply to a retail corporate credit union.

Roundtable Discussion Recap

This section of the ANPR was the focus of significant discussion among participants. The following provides a summary of the feedback received during the focus groups:

- Role of corporates in the credit union system
 - Consolidation among corporates should be considered to reduce the overall operating expenses that ultimately are supported by credit unions – aggregate operating expenses of all corporates exceeds \$400 million annually.

- Corporates should seek efficiencies through technological solutions to deliver products and services.
- Credit union service organizations (CUSO) should be evaluated to gain the synergies of multiple corporates/credit unions to manage the back office functions for services not requiring a financial institution charter.
- Consolidation of corporates and or the use of regional/national CUSOs could provide efficiencies, however the quality of member service was a concern.
- Corporates must periodically evaluate the effectiveness of their business model to ensure the products and services are providing value to members. (Value was not related to solely offering services at the most competitive price.)
- Payment systems
 - Constitution is a trusted business partner and has ensured credit unions of all asset sizes have access to the nation's payment systems.
 - Consolidation within payment systems would reduce the redundancies that exist today among corporates.
 - While the concept of a single service provider is conceivable, participants felt that local or regional presence of service providers would provide an environment where cooperation could lead to parallel platforms providing redundancies to ensure to continuity of payment applications.
 - A number of credit unions would have limited alternatives for accessing the nation's settlement systems if it were not for the corporate. (A number of participants recognized the Federal Reserve and an alternative, however limited interest was expressed in utilizing the Fed directly.)
 - Corporates or corporate/credit union controlled entities delivering a diverse group of payment applications needs to be available within the credit union system.
 - Member call center support has been a significant value added aspect related to payment services offered by the corporate.
 - The possibility of the systemic risk that could have been introduced by a corporate(s) failing was a concern. However, NCUA, corporates, and credit unions should monitor the actions by the other agencies on developments to mitigate systemic risk. The proposed concepts identified by NCUA would not mitigate systemic risk.
 - Compliance and operational risks associated with payments should be allocated to the capital.
- Liquidity and liquidity management
 - Liquidity services to credit unions for funding settlement shortfalls, short-term borrowing, are a necessity given the limited access that credit unions have to other outside borrowing resources.

- The corporate's ability to manage many of the settlement treasury management function has minimized the requirement for members to manage daylight overdraft positions with the Federal Reserve.
- The ability of corporates to reallocate liquidity among credit unions has been an effective process for several decades. Without the ability to generate liquidity within the system will require the identification of other liquidity sources beyond those that corporates have relied on historically (e.g., commercial paper, repurchase agreements, federal funds, etc.).
- The identification of sources of liquidity and the internal stressing of member cash flow requirements has been effective. The issue of liquidity management became an issue only as the events in the credit markets impacted institutions around the world. The ability to meet the liquidity requirements of credit unions will be an issue beyond that of corporates managing credit facilities and investments.
- Field of membership issues
 - Credit unions were not supportive of placing restrictions on the current fields of membership. Instead, credit unions preferred having options among corporates for investment alternatives and payment solutions.
 - The perception of reversing a broader field of membership to one of a single state or defined geographic location could negatively impact credit unions that have sought expanded fields of membership. Groups that have lobbied against credit union expansion could use the proposed action by NCUA as an event to attack other field of membership issues.
- Expanded investment authority
 - Expanded authority for managing additional risk (economic/interest rate and credit risk) must require that corporates assemble and maintain the intellectual capital and systems to understand and support the complexity of additional risk taking and risk monitoring.
 - Regulatory oversight must be heightened to ensure the skills of the examination team are commensurate with the risk profile of the corporates it oversees.
 - Corporates that have leveraged expanded authorities to date are all participants in the crisis that are at the root of the bailout in the credit union system. Reconsideration of the regulations governing the permissible risk taking by these entities must be extensive to ensure credit unions don't have to deal with these types of issues in the future.
- Structure – two tiered system
 - The current two tiered system (wholesale [i.e., U.S. Central] and retail corporates [e.g., Constitution] should be reduced to the “retail” level to minimize the operational redundancies and overhead.
 - There is a possible role for U.S. Central in the future to provide limited aggregation services for certain payment functions.

- The idea of a single corporate to provide efficiencies is concerning due to the systemic implications when (not if) problems arise.
- Corporates should continually communicate and join efforts to ensure research and development funding results in value based products and services for all credit unions.

Section 2 – Corporate Capital

ANPR Narrative Description

NCUA is considering revising various definitions and standards for determining appropriate capital requirements for corporate credit unions. For example, the agency could establish a new required capital ratio consisting only of core capital excluding membership capital accounts as a component of regulatory capital; the agency could also determine to increase the required capital ratio to more than four percent. The agency could also establish a new ratio based on risk-weighted asset classifications, which could include some form of membership capital. These changes would bring the corporate capital requirements more into line with standards applied by other federal financial regulators, such as the Comptroller of the Currency and the Federal Deposit Insurance Corporation (recognizing, however, that there are other accounting differences that apply with respect to the calculation of regulatory capital for banks). Another issue under consideration is whether to require a certain level of contributed capital from any natural person credit union seeking either membership or services from a corporate.

Core capital. The Board is considering several issues relating to the agency's approach to core capital (i.e., the traditional "tier one capital" definition as used by the several federal financial institution regulators). Under the current rule, core capital is defined as retained earnings plus paid-in capital. 12 CFR 704.2. Comment is invited concerning whether NCUA should establish a new capital ratio that corporates must meet consisting only of core capital, and if so, what would be the appropriate level to require. Commenters should offer their view concerning what actions are necessary to enable corporates to attain a sufficient core capital ratio as described above, as well as their thought about what would be an appropriate time frame for corporates to attain sufficient capital. The Board invites comment also on the question of what is the appropriate method to measure core capital given the significant fluctuation in corporate assets that occur. Commenters are invited to offer their view on the correct degree of emphasis that ought to be placed on generating core capital through undivided earnings. Finally, NCUA is considering whether to require that a corporate limit its services only to members maintaining contributed core capital with the corporate. Commenters are invited to react to that idea, and to offer any other suggestions or comments relative to the issue of core capital for corporates.

Membership capital. The Board is also considering several issues involving membership capital. 12 CFR 704.3(b). Issues under consideration and for which comment is sought include whether NCUA should continue to allow membership capital in its current configuration, or should the agency eliminate or modify certain features, such as the adjustment feature, so that membership capital meets the traditionally accepted definition of tier two capital. Other questions include whether to tie adjusted balance requirements, as set out currently in §704.3(b)(8), only to assets, as well as

whether to impose limits on the frequency of adjustments. The agency is considering whether to require that any attempted reduction in membership capital based on downward adjustment automatically result in the account being placed on notice, within the meaning of current §704.3(b)(3), so that only a delayed payout after the three-year notice expires is permissible. Comment is also sought on whether to require that any withdrawal of membership capital be conditioned on the corporate's ability to meet all applicable capital requirements following withdrawal. Comment is invited on all these issues and on any revisions NCUA should consider for the definition and operation of membership capital.

Risk-based capital and contributed capital requirements. Comment is solicited with respect to the following issues pertaining to risk-based capital and contributed capital requirements. Should NCUA consider risk-based capital for corporates consistent with that currently required of other federally regulated financial institutions? What regulatory and statutory changes, if any, would be required to effectuate such a change? Should a natural person credit union be required to maintain a contributed capital account with its corporate as a prerequisite to obtaining services from the corporate? Should contributed capital be calculated as a function of share balances maintained with the corporate? What about using asset size?

Roundtable Discussion Recap

The following comments are recapped from the various ANPR roundtable discussions:

- Seeking additional capital from members either in the form of Tier I capital or Membership Capital Shares will be difficult given the current risk environment.
- The timing of regulation reform as to terms and conditions of capital should allow sufficient time for potential /continuing owners to consider the revised structure of corporate and related (CUSO) organizations offering services.
- Capital in the form of reserves and undivided earnings (RUDE), plus perpetual paid-in capital (PIC) should be considered Tier 1 capital in accordance with General Accepted Accounting Principles (GAAP). Consideration should be given to aligning capital structures that are comparable to other institutions such as the FHLB system.
- Evaluate the effectiveness and possible adoption of a risk-based capital methodology similar to that set forth by Basel Committee on Banking Supervision – Basel II, which creates a standard regulators can use when creating regulations about how much capital needs to be available to manage against the types of financial and operations risks is inherent in the respective institution.
- Given the risk associated with capital accounts with the corporate, consider a dividend indication that is commensurate with the inherent risk.
- Provide guidance on the minimum capital ratios acceptable to the agency (i.e., 4% is a base target). Include additional guidance on reserving targets when capital exceeds 4%.

- Tier I capital (not just RUDE) should be considered when evaluating the various risk limits and available capital to be leveraged to support asset growth and seasonal liquidity changes.

Section 3 – Permissible Investment

ANPR Narrative Description

NCUA is considering whether the corporate investment authorities should be constrained or restricted. Presently, corporates have the authority to purchase and hold investments that would not be permissible for natural person FCU members under Part 703 (or, in some cases, outside of what is authorized for a state chartered credit union). This increases a corporate member's exposure to these risks commensurate with their level of investment in the corporate. Questions on which comment is solicited in this context include whether NCUA should limit corporate credit union investment authorities to those allowed for natural person credit unions. NCUA is also considering whether to prohibit certain categories of, or specific, investments, for example: collateralized debt obligations (CDOs), net interest margin securities (NIMs), and subprime and Alt-A asset-backed securities. Comment is solicited on that issue, as well as on whether NCUA should modify existing permissibility or prohibitions for investments.

Roundtable Discussion Recap

At each of the roundtable session participants provided relative consistent feedback on the ANPR narrative. The following recaps the significant comments provided by participants:

- No compelling reason to restrict the investment to those permitted within NCUA Rules and Regulations Part 703.
- The identification of investment type, interest rate characteristics, cash flow embedded options, etc. are all key components of managing an investment portfolio. There is a significant difference in the type of portfolio a credit union manages versus the deposits placed at a corporate. Corporate must establish and maintain investment strategies to protect the funds deposited by members to ensure the timely repayment of proceeds at maturity or on demand.
- Volunteers, management and staff responsible for investment and risk management activities should have proficiencies with the underlying investments approved for use at the corporate.
- Prior to seeking authority to engage in complex security types, the corporate should provide an application to request authority. At a minimum, applications should demonstrate a comprehensive understanding of the investment alternative(s), applications or use, accounting/portfolio tracking, liquidity, modeling (credit and asset-liability management),

capital allocation to risk, risk mitigation strategies, periodic assessments by qualified resources, and a commitment to ongoing training.

Section 4 – Credit Risk Management

ANPR Narrative Description

The reliability of credit ratings for investments has become more questionable in light of events in the financial industry and the current absence of regulatory oversight for rating organizations. Consequently, NCUA is considering curbing the extent to which a corporate may rely on credit ratings provided by Nationally Recognized Statistical Rating Organizations (NRSROs). Comment is requested on whether NCUA should require more than one rating for an investment, or require that the lowest rating meet the minimum rating requirements of Part 704. NCUA also solicits comment on whether to require additional stress modeling tools in the regulation to enhance credit risk management.

Several specific aspects of this issue are under consideration, for which comment is solicited, including whether Part 704 should be revised to lessen the reliance on NRSRO ratings. Commenters are invited to identify any other changes they believe may be prudent to help assure adequate management of credit risk. In this respect, commenters should consider whether Part 704 should be revised to provide specific concentration limits, including sector and obligor limits. If so, what specific limits would be appropriate for corporate credit unions? Comments are also solicited on the question of whether corporates should be required to obtain independent evaluations of credit risk in their investment portfolios. If so, what would be appropriate standards for these contractors? Another issue under consideration is whether corporates should be required to test sensitivities to credit spread widening, and if so, what standards should apply to that effort.

Roundtable Discussion Recap

The following recaps the significant comments provided by participants on the ANPR narrative:

- Participants believe the fundamental problem is beyond the reliance of ratings. NCUA and other agencies should support efforts to require reform and independent oversight of the three Nationally Recognized Statistical Rating Organizations.
- The use of a “rating” as applied to a bond should only be used as a “filter” or “metrics” on the permissibility of a bond, and not to assume the implied credit quality of the investment.
- The use of a single rating or multiple ratings is only a filter prior to considering a purchase or as another indicator of potential credit events for investments held by a corporate.
- Extensive stressing of an investment alternative should be completed as part of the pre-purchase activities, as well as ongoing monitoring of investments held by the corporate.
- Require adequate knowledge and ongoing training regarding permissible investments prior to entering into a new asset class.
- As stated in the section on asset-liability management, require extensive stress testing of security holdings to determine potential credit issues based on the performance of underlying collateral performance and or credit enhancements.

- As part of a risk-based audit plan, the Board appointed Supervisory or Audit Committee should periodically have qualified resources review the corporate's processes for monitoring and reporting credit risk, with periodic rotation of the assessment performed. While the concept is generally agreed upon, there is concern about the identification of "qualified" resources (internal or external) to understand the depth of potential instrument types. Corporate should seek qualified resources which will most likely require more than one opinion based on the diversity of holdings.

Section 5 – Asset Liability Management

ANPR Narrative Description

In a previous version of its corporate rule, NCUA required corporate credit unions to perform net interest income modeling and stress testing. Because one of the problems leading to the current market dislocation is a widening of credit spreads, the agency is considering re-instating this requirement. Alternatively, the agency may consider some form of mandatory modeling and testing of credit spread increases. Comment is solicited on whether NCUA should require corporates to use monitoring tools to identify these types of trends, including specifically comments about tangible benefits, if any, that would flow from these types of modeling requirements.

Roundtable Discussion Recap

At each of the roundtable session participants provided consistent feedback on the ANPR narrative. The following recaps the significant comments provided by participants:

- Participants were concerned that NCUA had previously included net income modeling and stress testing, and had removed it to rely only on net economic value. Participants provided comments that these, at a minimum, are fundamental risk management measures that all institutions should include in asset-liability management modeling.
- Given the income sensitivity nature of a corporate's balance sheet (i.e., operating on extremely narrow spread margins) that the elimination of net interest income modeling and stress test was not prudent.
- Participants were supportive of Constitution's continued use of multiple stress testing and forecast modeling of net interest income and ongoing stress testing.
- Just as important as using an instantaneous and severe interest rate shock test for net economic value and net interest income modeling, participants expressed support for expanded additional testing requirements that evaluated the impact of credit spread widening scenarios (beyond those current utilized by the corporate).

Key points

- Continue to employ net economic value testing and stress testing.

- Reinstate requirement for net interest income and stress testing net interest income for all corporates regardless of size or balance sheet complexity.
- Require periodic stress testing to capture possible risk of credit spread changes.
- Focus identification and allocation of all risks (interest rate risk [net economic value and net interest income], credit, liquidity and operational) and determine capital adequacy and the risks to member capital.
- Evaluate other risk management methodologies to identify potential threats to equity.

Section 6 – Corporate Governance

ANPR Narrative Description

The sophistication and far-reaching impact of corporate activities requires a governing board with appropriate knowledge and expertise. NCUA is considering minimum standards for directors that would require a director possess an appropriate level of experience and independence. The agency is also considering term limits, allowing compensation for corporate directors, and requiring greater transparency for executive compensation. Comment is sought on all these issues.

In addition, commenters are invited to respond to the question of whether or not the current structure of retail and wholesale corporate credit union boards is appropriate given the corporate business model. Should NCUA establish more stringent minimum qualifications and training requirements for individuals serving as corporate credit union directors? If so, what should the minimum qualifications be? NCUA is also considering whether to establish a category of “outside director,” i.e., persons who are not officers of that corporate, officers of member natural person credit unions, and/or individuals from entirely outside the credit union industry. Commenters should offer their view on whether that approach is wise, and, if so whether NCUA should require that corporates select some minimum number of outside directors for their boards. Should a wholesale corporate credit union be required to have some directors from natural person credit unions? Comment is sought on whether NCUA should impose term limits on corporate directors, and, if so, what the maximum term should be. Comment is also sought on whether corporate directors should be compensated, and, if so, whether such compensation should be limited to outside directors only. Another issue under consideration, for which reaction from commenters is sought, is whether NCUA should allow members of corporate credit unions greater access to salary and benefit information for senior management.

Roundtable Discussion Recap

The section of corporate governance was one of the most discussed sections of the ANPR. The following provides a recap of the significant comments provided during the roundtable discussions:

- As a financial cooperative, corporate boards and committees should be representative of the members, not outside non-interested parties.

- Corporates should remain as member owned financial cooperatives governed by volunteers and therefore compensation for serving on the board or a committee is not an option.
- In today's environment, the corporate must identify minimum qualifications for all volunteers, regardless of if it is a board or committee member. Minimum standards are a necessary requirement to identify potential volunteers. However, the extensive training volunteers receive is an integral requirement that each volunteer must commit to as an official representative of the corporate.
- Given the unique operations of a corporate credit union (investment, lending, and payments at a minimum) requires volunteers to remain well versed in the changes in the marketplace, as well as the changes and impact to the corporate. Continued focus on effective training should be a requirement that all corporate boards and committees must commit to completing.
- Board and committees members currently have access to external resources to aid in the review (i.e., assessment) where high skilled resources are required to determine the appropriate operation controls and risk monitoring (e.g., risk management applications, bond evaluations, information securities, etc.).
- Given the commitment to training, applying term limits is concerning given the complexity of a corporate's operations. The orientation to issues affecting a corporate is a significant time commitment.
- Just as credit unions, corporates should continue to meet the seven cooperative principles within our industry: (1) voluntary membership; (2) democratic member control; (3) members' economic participation; (4) autonomy and independence; (5) education, training and information; (6) cooperation among cooperative; and (7) concern for community.
- Related to the composition of a corporate's board, there was limited comment to determine the appropriateness of allowing outside directors to participate in the governance of a corporate. (This concept was widely challenged at each of the sessions.)
- In regards to transparency of executive compensation, participants were widely split on the need for disclosure. Given the desire to encourage discussion, no consensus was sought from participants.

Comment Period

Constitution is encouraging its members to respond to NCUA's ANPR. The letter can provide specific thoughts and or recommendations for NCUA to consider as outlined in the ANPR or responses can be feedback on other issues regarding corporate credit unions, including the NCUA's Corporate Stabilization Program. A sample letter template in Word is available on our Due Diligence page.

Comments must be received by NCUA on or before April 6, 2009. Any comments received after 11:59 p.m. EDT may not be considered by the Agency.

Credit unions that are submitting responses to the ANPR or the Corporate Stabilization Program should use one of the following methods:

- Electronic submission
 - Federal eRulemaking Portal: <http://www.regulations.gov> (follow the online instructions for submitting comments)
 - NCUA Web site: http://ncua.gov/RegulationsOpinionsLaws/proposed_regs.html (follow the online instructions for submitting comments)
 - Email: address to regcomments@ncua.gov (include “[Your Name]-Comments on Advanced Notice of Proposed Rulemaking for Part 704” in the email subject line)
- Facsimile: (703) 518-6319 (include “[Your Name] – Comments on Advanced Notice of Proposed Rulemaking for Part 704” in the subject line)
- Mail delivery (U.S. Postal Service or overnight courier service) – Address to the following:

Mary Rupp
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

Additional Information

Additional information regarding the ANPR and NCUA’s Corporate Stabilization Program can be found online at <http://ncuua.gov> (link on home page titled “Corporate Stabilization Program”). To view other comment letters and other correspondence regarding the ANPR and the Corporate Stabilization Program can be found online at NCUA’s Web site at http://www.ncua.gov/RegulationsOpinionsLaws/Comments/Comments_Received_on_NCUA_Regulation_Changes704.html.

For a copy of the ANPR in its entirety can be located at www.goaccess.gov/fr (home page to the Federal Register). The ANPR is located on pages 6004 – 6007 of the Federal Register Volume 74, Number 22 (posted on Wednesday, February 24, 2009).